

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED ATTORNEY GENERAL  
BILL)

**A BILL FOR**

1 An Act relating to recording and disclosure requirements for  
2 real estate installment sales contracts which transfer  
3 interests in residential property for certain contract  
4 sellers.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 558.46, Code 2017, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 8. A violation of this section by a  
4 contract seller who is subject to the requirements of section  
5 558.70 is an unlawful practice pursuant to section 714.16.

6 Sec. 2. Section 558.70, Code 2017, is amended by adding the  
7 following new subsection:

8 NEW SUBSECTION. 6A. The attorney general may adopt rules  
9 pursuant to chapter 17A as necessary to administer this  
10 section.

11 Sec. 3. Section 558.71, Code 2017, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 5. A violation of section 558.70 is an  
14 unlawful practice pursuant to section 714.16.

15 EXPLANATION

16 The inclusion of this explanation does not constitute agreement with  
17 the explanation's substance by the members of the general assembly.

18 This bill relates to recording and disclosure requirements  
19 for real estate installment sales contracts which transfer  
20 interests in residential property for certain contract sellers.

21 Code section 558.46 requires contract sellers to record  
22 every real estate installment sales contract transferring an  
23 interest in residential property with the county recorder in  
24 the county in which the real estate is situated. A contract  
25 seller who entered into four or more residential real estate  
26 contracts in the previous 365 days must record the contract not  
27 later than 30 days from the date the contract was signed.

28 Code section 558.70 requires a contract seller who entered  
29 into four or more residential real estate contracts in the  
30 previous 365 days, prior to executing a residential real estate  
31 installment sales contract, to deliver a written contract  
32 disclosure statement to the contract purchaser setting forth  
33 certain specified information.

34 Under the bill, a contract seller who entered into four or  
35 more residential real estate contracts in the previous 365

1 days and who violates the provisions of Code section 558.46 or  
2 558.70 commits an unlawful practice pursuant to Code section  
3 714.16. Under Code section 714.16, the attorney general  
4 has the authority to issue subpoenas, hold hearings, adopt  
5 administrative rules, and file lawsuits to obtain temporary  
6 and permanent injunctive relief, consumer reimbursement, costs  
7 and attorney fees, and civil penalties of up to \$40,000 per  
8 violation.

9 Current law permits rules to be adopted to administer Code  
10 section 558.70. The bill specifies that the rules necessary to  
11 administer Code section 558.70 may be adopted by the attorney  
12 general.